

# SENATE BILL 794

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By: **Senators Pugh and Jones**

Introduced and read first time: February 10, 2010

Assigned to: Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Unemployment Insurance – Exemption from Covered Employment –**  
3 **Passenger Motor Vehicle Drivers**

4 FOR the purpose of providing that work performed by a passenger motor vehicle  
5 driver under certain circumstances is not covered employment for the purposes  
6 of unemployment insurance; defining a certain term; and generally relating to  
7 coverage of individuals driving passenger motor vehicles under the  
8 unemployment insurance law.

9 BY adding to  
10 Article – Labor and Employment  
11 Section 8–206(i)  
12 Annotated Code of Maryland  
13 (2008 Replacement Volume and 2009 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article – Labor and Employment**

17 8–206.

18 **(I) (1) (I) IN THIS SUBSECTION, “PASSENGER MOTOR VEHICLE”**  
19 **MEANS A MOTOR VEHICLE DESIGNED TO CARRY NOT MORE THAN 15**  
20 **PASSENGERS.**

21 **(II) “PASSENGER MOTOR VEHICLE” DOES NOT INCLUDE A**  
22 **TAXICAB.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) WORK IS NOT COVERED EMPLOYMENT WHEN PERFORMED BY**  
2 **A PASSENGER MOTOR VEHICLE DRIVER WHO OWNS OR LEASES A PASSENGER**  
3 **MOTOR VEHICLE AND USES THE MOTOR VEHICLE TO TRANSPORT PASSENGERS**  
4 **WHO HAVE ARRANGED FOR THE TRANSPORTATION THROUGH A THIRD PARTY**  
5 **FOR COMPENSATION IF THE SECRETARY IS SATISFIED THAT:**

6                   **(I) THE DRIVER AND THE THIRD PARTY HAVE ENTERED**  
7 **INTO A WRITTEN AGREEMENT THAT IS CURRENTLY IN EFFECT FOR THE USE OF**  
8 **THE MOTOR VEHICLE TO TRANSPORT PASSENGERS WHO HAVE ARRANGED FOR**  
9 **THE TRANSPORTATION THROUGH THE THIRD PARTY;**

10                   **(II) IF THE DRIVER LEASES THE MOTOR VEHICLE FROM THE**  
11 **THIRD PARTY OR ANY AFFILIATE OF THE THIRD PARTY, THE DRIVER AND THE**  
12 **THIRD PARTY HAVE ENTERED INTO A WRITTEN LEASE THAT IS CURRENTLY IN**  
13 **EFFECT IN WHICH THE AMOUNT OF THE LEASE PAYMENTS ARE NOT**  
14 **DETERMINED BASED ON THE AMOUNT OF REVENUE RECEIVED BY THE DRIVER**  
15 **FOR TRANSPORTING PASSENGERS;**

16                   **(III) THE DRIVER IS RESPONSIBLE FOR THE PAYMENT OF**  
17 **ANY OPERATING COSTS OF THE MOTOR VEHICLE; AND**

18                   **(IV) THE AGREEMENT STATES EXPRESSLY THAT THE DRIVER**  
19 **KNOWS:**

20                           **1. OF THE RESPONSIBILITY TO PAY STATE AND**  
21 **FEDERAL INCOME TAXES; AND**

22                           **2. THAT THE WORK IS NOT COVERED EMPLOYMENT.**

23           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
24 October 1, 2010.